

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 8/31/2004

	As of <u>8-31-04</u>	As of <u>6-30-04</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 505,507,771	\$ 538,958,281
INTERNATIONAL EQUITIES	192,312,194	201,367,849
DOMESTIC FIXED INCOME	390,697,834	362,030,777
INTERNATIONAL FIXED INCOME	62,566,009	61,303,144
REAL ESTATE	62,041,126	61,430,839
VENTURE CAPITAL	59,389,168	58,823,345
INVESTED CASH (NOTE 1)	<u>13,812,691</u>	<u>19,060,884</u>
 TOTAL INVESTMENTS	 1,286,326,793	 1,302,975,119
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	2,362,737	2,746,253
OTHER ASSETS		
DUE FROM OTHER AGENCIES (NOTE 2)	<u>28,103</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,288,717,633</u>	 <u>\$ 1,305,721,372</u>
LIABILITIES:		
ACCOUNTS PAYABLE	977,698	977,699
DUE TO OTHER AGENCIES (NOTE 3)	<u>0</u>	<u>4,717</u>
 TOTAL LIABILITIES	 977,698	 982,416
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,304,738,956	1,126,095,333
CASH IN DURING YEAR (NOTE 4)	0	3,789,350
CASH OUT DURING YEAR (NOTE 5)	2,350,000	11,890,000
NET INCREASE (DECREASE)	<u>(14,649,021)</u>	<u>186,744,273</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,287,739,935</u>	 <u>1,304,738,956</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,288,717,633</u>	 <u>\$ 1,305,721,372</u>

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State Investment Board Profit and Loss Statement For the Month Ended 8/31/2004

	Month Ended <u>8-31-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,704,069	\$ 6,308,373
SECURITIES LENDING INCOME	109,249	204,155
	<u>2,813,318</u>	<u>6,512,528</u>
 GAIN ON SALE OF INVESTMENTS	 8,679,667	 17,659,882
LOSS ON SALE OF INVESTMENTS	<u>7,506,283</u>	<u>16,338,578</u>
 NET GAINS (LOSSES) INVESTMENTS	 1,173,384	 1,321,304
 INVESTMENT EXPENSES	 891,377	 1,068,986
SECURITIES LENDING EXPENSES	92,977	166,952
SIB ADMINISTRATIVE EXPENSES	<u>8,627</u>	<u>17,180</u>
 NET INVESTMENT INCOME	 2,993,721	 6,580,714
 NET APPREC (DEPREC) MARKET VALUE	 9,750,501	 (21,099,982)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(132,794)</u>	<u>(129,753)</u>
 TOTAL INVESTMENT INCOME	 <u>12,611,428</u>	 <u>(14,649,021)</u>
 NET INCREASE (DECREASE)	 <u>\$ 12,611,428</u>	 <u>\$ (14,649,021)</u>

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Notes To Financial Statements
August 31, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 3 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 4 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.